BEFORE THE

ILLINOIS COMMERCE COMMISSION

REGULAR OPEN MEETING

(PUBLIC UTILITY)

Wednesday, August 30, 2017

Chicago, Illinois

Met, pursuant to notice, at 10:30 A.M.,
at 160 North LaSalle Street, Chicago, Illinois.

PRESENT:

BRIEN J. SHEAHAN, Chairman

SADZI M. OLIVA, Acting Commissioner

MIGUEL DEL VALLE, Commissioner

JOHN R. ROSALES, Commissioner

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CHAIRMAN SHEAHAN: Good morning. Are we ready to proceed in Springfield?

COMMISSIONER ROSALES: Yes, we are. Yes, we are, Mr. Chairman.

CHAIRMAN SHEAHAN: Pursuant to the Open Meetings Act, I call the August 30th, 2017 Regular Open Meeting to order. Commissioner de Valle and Acting Commissioner Oliva are with me in Chicago. Commissioner Rosales is present in Springfield. We have a quorum.

We have 10 speakers or so from the public this morning. As a reminder, each speaker will have 3 minutes. We'll let you know when you have 2 minutes left, 1 minute left, and when your time has expired.

Please be aware that, while the Commission affords the public an opportunity to comment, we will not respond directly to your comments. Your comments will be made part of the record. However, we cannot rely on it to resolve disputed issues of fact in contested cases.

Our first speaker is Julie Prandi.

COMMISSIONER ROSALES: I'm not sure where she is.
CHAIRMAN SHEAHAN: John, if you could help us coordinate these procedures, that would be helpful.

COMMISSIONER ROSALES: Yes, sir.

You may begin, ma'am.

MS. JULIE PRANDI: Okay. Thank you.

I'm a retired person. I am also an Ameren customer who is outraged that Ameren now wants to renege on the carefully-crafted deal it had originally agreed to. The Future Energy Jobs Act, or FEJA, passed just last year, involved almost 2 years of negotiations with multiple stakeholders, including energy companies, consumer advocates, environmental advocates, and legislatures.

We should not be carving out exemptions or allow any power companies to significantly lower the energy efficiency, or EE, target. This legislation passed. Ameren was at the table. Residents like me in Central, Illinois will pay nearly 30 percent more than projected on utility bills if Ameren is allowed to lower its energy savings target, according to consumer advocates.

Besides, we know that ComEd, another big power company, has not expressed any need to change its targets for EE. If ComEd can meet its
goals, Ameren can too, especially when you consider that Ameren's original target of 16 percent was lower to begin with than ComEd's 21.5 percent energy efficiency goals. The ICC should not grant permission for Ameren to lower its efficiency savings total by any number, let alone a whopping 27 percent.

As the Illinois Administrative Law Judge recently ruled, Ameren provided no evidence for not being able to meet its originally stated goals. Unbelievably, Ameren wants to be rewarded if they then exceed the low target that they seek to set. They want a bonus of $36 million dollars. We, the taxpayers, are supposed to sit still for this? There should be no bonus, only penalties, if companies fail to meet the targets in FEJA. And I do not speak just for myself. I'm also concerned about the low income communities who were promised increasing EE and FEJA.

Again, ComEd has no problem in meeting both of these goals, overall reduction of energy use, plus increasing EE for disadvantaged neighborhoods. Ameren must be held to the law. Ameren wants to justify their request to lower the target because it will then invest more than the law requires on low income EE. This sounds nice, but it is a poor reason
for reducing the EE's target. This target is crucial in the fight against global warming, crucial for reducing the carbon footprint. Besides, saving energy by increasing EE is the easiest way to reduce greenhouse gas emissions and one that can be achieved.

Midwest is poised to increase its green jobs, and FEJA is an important part of this. However, according to the National Resources Defense Council, the energy plan that Ameren submitted would jeopardize 7,000 jobs that could be created by the new law. As the Joyce Foundation wrote in February of 2017, "Across the country the clean energy sector provides well-paying employment for millions of Americans. In the Midwest alone clean energy jobs are scheduled to grow at the rate 4.4 percent this year, almost nine times as fast as the long-term national average."

CHAIRMAN SHEAHAN: Ma'am, your time has expired. Can you wrap it up, please?

MS. JULIE PRANDI: Yes.

In sum, the ICC should not grant permission for Ameren to lower its energy efficiency savings. If ComEd can meet the target, Ameren can
too. We shouldn't allow Ameren to go back on its promise. If you grant Ameren's request, it would set back the efforts to make Illinois a leader in energy conservation and green jobs. That would be unfair for us civilians in Central, Illinois who are paying more --

CHAIRMAN SHEAHAN: Thank you, ma'am.

Our next speaker is Alphonso Lyons.

Commissioner Rosales, do you have an Alphonso Lyons in the audience?

COMMISSIONER ROSALES: We may.

MS. JULIE PRANDI: He gave his time to Reverend Tony Pierce.

COMMISSIONER ROSALES: Okay. You have 3 minutes.

REVEREND TONY PIERCE: Good morning. My name is Reverend Tony Pierce, and I am pastor at Heaven's View Christian Fellowship Church, and an Ameren Customer in Peoria, and I'm also the Board President of the Illinois People of Action.

Let me begin by briefly describing the work that the Illinois People of Action did to ensure that FEJA was good for both our environment and good for low income communities and communities of color.
Over the course of a year IPA, or Illinois People of Action, had meetings in Peoria to hear what our low income communities and communities of color wanted to see in energy jobs development. Here's what they said:

They want cleaner energy. Many of the people who attended these meetings talked about generations of asthma due to the air pollution caused by the Edward Power Plant and other coal power plants along the Illinois River. Secondly, they wanted jobs with clean energy, whether that's energy efficiency jobs or solar installation jobs. And, lastly, they wanted a chance to have energy sovereignty. This means that they want a chance to own the energy that they use.

We brought our message to the Energy Clean Jobs Coalition where we are members of the Climate Table. We won their support. Those very components were then negotiated with the Illinois utilities, including Ameren. There was give and take on both sides, with ComEd ultimately agreeing to a 21 percent reduction of energy usage by 2030 by increasing energy efficiency in its footprint.

Ameren claimed this was too high, and
we negotiated down to 16 percent for them, which they agreed to. Now we are here today to talk about how that legislation, the Future Energy Jobs Act, will be implemented. As you know, Ameren now wants to reduce the amount of energy efficiency savings that they will engage in by almost a third. And to add insult to injury, they want to receive a bonus if they go past the new lower target. This is totally unacceptable. Ameren says that it cannot both meet the 16 percent FEJA reduction and serve the needs of low income communities of color. They certainly can afford it. This is a company that made $653 million dollars in profit in Illinois in 2016. The 15-and-a-half million that they propose to spend on low income communities is not even 2-and-a-half percent of Ameren Illinois's profits last year.

Furthermore, their argument makes no sense. Most of the homes in Peoria's distressed neighborhoods are older homes. Weatherizing these homes will yield higher returns to both their owners and Ameren. Ameren cannot be allowed to trade investments in low income neighborhoods for a reduction in their overall energy use or vice versa. We will not stand for them pitting the low income
communities against the environmental communities. Ameren can serve low income customers, and create jobs, and meet their goals. And the Administrative Law Judge agrees with us on this.

Thank you.

COMMISSIONER ROSALES: Thank you.

CHAIRMAN SHEAHAN: Thank you.

Our next speaker is Verlyn Rosenberg.

MS. VERLYN ROSENBERGER: Rosenberger.

COMMISSIONER ROSALES: Rosenberger?

MS. VERLYN ROSENBERGER: Thank you for allowing me to speak.

COMMISSIONER ROSALES: Thank you. Before you do, duly next to you -- those that are speaking -- you will have the timer so you'll understand how much time you have. Okay?

MS. VERLYN ROSENBERGER: Okay.

COMMISSIONER ROSALES: Okay. Thank you.

MS. VERLYN ROSENBERGER: As a lifelong resident of Illinois and an Ameren customer, I am totally opposed to the Ameren proposed rollback of energy efficiency standards adopted in the Future Energy's Job Act. The extremely achievable, affordable, desirable, and statutorily cumulative annual energy
efficiency target of 16 percent by 2030 must be met by the corporation.

To reduce carbon and other greenhouse gas emissions, energy efficiency is one of the most achievable and significant ways to do it, many that Ameren has been promoting for years. I'm certain that low income residents, and especially communities of color, are tremendously affected by climate change and high energy costs. For those and other reasons, the health of the economy of our country as well as the physical health of population is threatened. Therefore, privately-owned multibillion dollar utilities must meet the efficiency target of 16 percent by 2030. These low income residents should not be forced to suffer because Ameren wants to lower the statutory energy efficiency target. I believe that Ameren must not be allowed to cut back at their expense.

Investments in energy efficiency is expected to lead to the creation of thousands of good paying green jobs in America's -- in Ameren's service area. If Ameren is allowed to cut back on efficiency goals, less money will be invested in effective efficiency projects that could provide many good work
opportunities for many of our unemployed population. Ameren must be held to the standards established when the Future Energy Jobs Act was adopted by the bipartisan state legislature.

In conclusion, I also believe that Ameren should be constantly working toward an achievable goal of 100 percent renewable energy.

After I prepared these comments I learned some good news that just yesterday the Administrative Law Judge at the hearing about whether Ameren should be allowed to lower its rate concluded that there was not sufficient evidence to merit having the Illinois Commerce Commission lower Ameren's efficiency goals.

Thank you for listening.

CHAIRMAN SHEAHAN: Thank you.

Our next two scheduled speakers, Robin Garlish and Marliea White are apparently ill, but there's a substitute.

Commissioner, is there a substitute in the audience for one of those speakers?

COMMISSIONER ROSALES: There is. John --

How do you spell your last name?

MR. JOHN DIECKMANN: D-i-e-c-k-m-a-n-n. John
Dieckmann.

COMMISSIONER ROSALES: Welcome, Mr. Dieckmann.

MR. JOHN DIECKMANN: Thank you.

As an instructor for the Illinois Home Weatherization Assistance Program, known as IHWAP, and an EPI-certified auditor in building analysis -- energy auditor and building analysis, and a volunteer who's helped create guidelines for national home weatherization programs, I have both an interest and a stake in seeing Ameren stick to their promise to help low income housing residents become more energy efficient. By lowering the results bar Ameren would be taking an unfair advantage of our state and the taxpayers. Thank you.

CHAIRMAN SHEAHAN: Thank you, sir.

Our next speaker is Matt Maloney. He has asked that Hillary Spellman substitute.

Ms. Spellman, are you in the audience?

MR. MATT MALONEY: Ms. Spellman couldn't make it.

COMMISSIONER ROSALES: Okay. And your name is, sir?

MR. MATT MALONEY: Matt Maloney.

Good morning, Chairman Sheahan and
Commissioners. I'm Matt Maloney, and I'm the Director of Health Policy for Respiratory Health Association. I'd like to thank you for the opportunity to comment on Docket No. 17-0311.

RHA has been in a public health leader since 1906. Today we address asthma, COPD, lung cancer, tobacco control, and air quality with a comprehensive approach involving research, education, and activities. Today we're expressing concern that the energy efficiency and demand response plan that Ameren Illinois filed falls short of delivering the benefits that they promised in the Future Energy Jobs Act. Failure to meet the Future Energy Jobs Act's urban targets will result in needless additional costs to consumers, to form higher utility bills. It will also result in additional deadly air pollution being generated by power plants that now contribute to unhealthy air quality in areas that well over half of the population in Illinois lives in.

RHA is spreading its national resources this year on the health benefits of fully implementing the Future Energy Jobs Act, demonstrating a decrease in heart attacks, asthma attacks, ER visits, and other health benefits. As a
parent of someone with asthma this is a big concern
for me as well.

Failure to achieve energy efficiency
and demand response targets will result in diminished
health benefits, including more sickness and more
lives lost. Please ensure that Ameren Illinois meets
their relatively low statutory requirements. The
Future Energy Jobs Act promised Ameren Illinois
customers lower energy bills, cleaner air, and job
creation through investment in energy efficiency.
The targets Ameren Illinois has filed compromises
these benefits and the health and welfare of their
own customers as well as millions of more Illinois
residents.

Yesterday an Administrative Law Judge
rendered a decision that Ameren had not justified
their efforts to avoid meeting the energy efficiency
target set by these statues last year and that
Ameren's request should be denied. We urge the
Commissioners to do likewise.

Thank you for your time. Thank you.

CHAIRMAN SHEAHAN: Thank you.

Our next speaker is Ron Wojtanowski.

MR. RON WOJTANOWSKI: Wojtanowski.
CHAIRMAN SHEAHAN: Wojtanowski.

COMMISSIONER ROSALES: Mr. Wojtanowski?

MR. RON WOJTANOWSKI: Yes. I live in Danvers, Illinois, and I'm in Ameren territory.

The historic level of carbon dioxide in our atmosphere since the emergence of humans on our planet has, roughly, been 275 parts per million. For thousands of years mankind has flourished in this atmosphere. Since the dawn of the industrial revolution the amount of carbon dioxide has steadily been rising. Currently it is increasing at an annual rate of two parts per million and has recently grown past the 400 parts per million mark.

There is no doubt that our climate has changed as a result. In fact, we are now living in uncharted territory. Humans have never existed in an atmosphere such as the one that now exists. We don't know what the long-term effects of this new climate will be on the flora and fauna around us or even how this changing climate will affect our own survival. However, we can see that storms have become more severe. Flooding has become more frequent. The oceans are rising, and species are vanishing. We have been talking about this issue for decades. The
scientific evidence that climate change is real and that human activity is a major contributor is now undeniable. The whole world agrees, and we must act now.

I am completely opposed to Ameren's proposed rollback of the energy efficiency standards laid out for it in the Future Energy Jobs Act. Ameren's cumulative annual energy efficiency target of 16 percent by 2030 is not only extremely achievable, but it is absolutely necessary. We cannot go backwards on our commitment to reduce emissions. Increasing energy efficiency is, perhaps, the fastest way that we can slow down greenhouse gas emissions.

As a state, Illinois must do the right thing and join the rest of the world in addressing this developing crisis. Other states have made much more ambitious commitments to achieve carbon reductions by the year 2030. Let's join the leaders in this effort instead of being reluctant followers. The results of our efforts will not only be a healthier planet, but also a stronger more resilient economy.

Thank you, Commissioners.
CHAIRMAN SHEAHAN: Thank you.

Our next speaker is Joyce Harant.

COMMISSIONER ROSALES: Good morning.

MS. JOYCE HARANT: Good morning. Thank you.

COMMISSIONER ROSALES: You're welcome.

MS. JOYCE HARANT: My name is Joyce Harant. I reside in Peoria, Illinois. I have a master's degree in community health, and I currently serve on the Peoria City County Board of Health. I'm a trustee of the Peoria Park District, and I'm also an Ameren customer.

As a member of the Central Illinois Healthy Community Alliance, I've worked with many other people in Peoria for several years with what is now called the Future Energy Jobs Act, FEJA. Peoria is within pollution distance from both the Edwards and Powerton coal plants. The south side of Peoria, a low income area with a high percentage of people of color, was particularly hit with the pollution legacy of these dirty coal-burning industry plants.

It is environmental justice communities within the Ameren distribution area that organized to pass FEJA. I believe this south side community was dedicated to this effort because they
knew that they had suffered from the negative health consequences of dirty energy. They have paid through asthma and other respiratory conditions, heart disease and early death; and they want to reap health benefits from FEJA as well as economic benefits from community solar installation, job training, energy efficiency, and solar and energy efficiency in their homes.

The FEJA is viewed by people in Peoria in the environmental justice communities as hope for a better future, hope to get the job training that will be a pathway out of poverty for their families and a way to better afford their energy bills through energy efficiency improvement and solar energy.

People in the Peoria area are in the Ameren service area and contribute to the funding source for FEJA. The energy efficiency targets that Ameren is obligated to under FEJA must be upheld. They should not be allowed to reduce their energy efficiency targets at all. And Ameren must not be provided a bonus of $36 million if they do not meet the original energy efficiency targets of FEJA.

Most every organization that I work with has to do more with less. Administrative and
operational costs have to be streamlined. Everyone is doing more with less, and so must Ameren. Please hold Ameren accountable for the people in their service area in retaining their cumulative energy -- annual energy efficiency targets as provided in FEJA.

And I just learned this morning that your own Administrative Law Judge has ruled that Ameren has not provided sufficient information to warrant this reduction. So please uphold your Administrative Law Judge. Do not allow Ameren to renege against achievable requirements that will provide energy efficiency savings and jobs to low income individuals and all residents in that area.

Thank you very much.

CHAIRMAN SHEAHAN: Thank you. Our next speaker is William Rau.

MR. WILLIAM RAU: I am an Ameren Customer from Bloomington. Ameren has a history of making commitments at Time 1 and then finding ways to renege on those commitments at Time 2. Ameren executives speak with forked tongues. Let me give two examples.

One, Ameren's purchase of Illinois Power in 2004. In a deal that added 10 cents to its earnings per share, it also promised two things:
lower electricity costs and some protection for Illinois Power employees and retirees. 2 years later it raised the average electricity rates by 40 to 55 percent -- not exactly low costs. Rates for customers using electricity for heating increased by a hundred percent to over 200 percent. Why would anyone use electricity for heat? Because Ameren encouraged the practice with significant discounts for those using electricity in that manner. And in a classic bait and switch those accounts were eliminated when they jacked up everyone's rates.

Two, pollution control exemption. In 2006, Ameren committed to placing pollution controls in its coal boiler, so it was given another 5-year extension. In 2012, they pulled another switch-a-roo by demanding another 5-year extension with the Illinois Power Control Board and threatened to close the plant if it didn't get it. It got it, obviously.

Three, in 2014 Ameren paid Dynegy $200 million dollars to take over its Illinois coal boilers. Why pay another company to take over tangible assets? Because Ameren was able to transfer its pension obligations and plant deconditioning costs to Dynegy's subsidiary, Illinois Power
Holding s. That's a problem. The subsidiary is ring fenced, a legal term that means that IPH's corporate parent Dynegy is not responsible for forfeited pensions or other legal obligations when IPH declares bankruptcy, which is almost inevitable.

In sum, don't believe a single thing Ameren says. To iterate, they speak with forked tongues.

CHAIRMAN SHEAHAN: Thank you, sir.

Our next speaker is Robert Pashos.

COMMISSIONER ROSALES: Good morning.

MR. ROBERT PASHOS: Good morning. And thank you for hearing the concerns that we are bringing as pertaining to Docket 17-0311. I would like to, first of all, recognize and commend the finding of the Administrative Law Judge that suggested that Ameren Illinois' request to get out of their obligation under the Future Energy Jobs Act be denied.

I'm here today for so many of the reasons that have already been shared by others who are asking you also to reject Ameren's request. I am here as a concerned citizen, a concerned Ameren customer, in Illinois; and, quite frankly, a concerned member of the human race. I say that
because I am also here for a reason that involves looking at the big picture. And when I do just that, I realize that Ameren's request is also in opposition to the kinds of actions that we need to be taking regarding one of the most pressing issues of all time, the issue of the rapidly-escalating climate crisis.

We are seeing reminders -- one after another, after another -- all across the globe and even right now in the Houston area of our own country, reminders that we are facing an all-hands-on-deck kind of crisis that literally involves the future of civilization as we know it, only not only within the lifetimes of our children and grandchildren, as is so often suggested but, according to a growing number of scientists working on the cutting edge of this crisis, even within the lifetime of most of us within this room.

And whether or not one is informed or not to grasp the magnitude of what I'm saying, I'm confident that at least most of us in this room will agree that an extreme sense of urgency is entirely appropriate. We are living in a time when we need to move forward with all of the resources that we can
muster, not backwards.

Moving forward on this crucially important issue means recognizing the crucial role of energy efficiency and the larger effort to combat climate change by reducing the amount of dangerous carbon pollution going into the atmosphere. Energy saved means that much less health harming pollution and that much less greenhouse gas going into the air we breathe and the atmosphere that we depend on to live a stable life-supporting climate.

I say again that this is the time to move forward not a time to move backward. And Ameren Illinois needs to buckle up, bite the bullet, and get with the program; meaning, the extremely important and relative commitments they made under the Future Energy Jobs Act.

Thank you for your time and serious consideration.

CHAIRMAN SHEAHAN: Thank you.

That's the conclusion of our public comments.

Moving on to our Public Utilities Agenda, there are edits to the minutes of the August 15th, 2015 Special Open Meeting.
Are there any objections to approving the minutes as edited?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the minutes are approved.

Moving into our Electricity Agenda, Item E-1 concerns Ameren's Energy Efficiency Demand-Response Cost Recovery Reconciliation Rider. Are there any objections to not suspending the filing?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the filing is not suspended.

Items E-2 through 4 concern the dismissal of various consumer complaints. Are there any objections to considering these items together and approving the Orders?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Orders are approved.

Item E-5 concerns Ameren's petition for Special Permission to file and put into effect its Energy Efficiency and Demand Response Adjustment
Are there any objections to granting this special permission?
(No response.)

CHAIRMAN SHEAHAN: Hearing none, the special permission is granted.

Item G-1 concerns an Addition of a Landlord/Property Management Agreement in Nicor's tariff in compliance with Code Part 280.

Are there any objections to not suspending the filing?
(No response.)

CHAIRMAN SHEAHAN: Hearing none, the filing is not suspended.

Item T-1 concerns a consumer complaint against Frontier North.

Are there any objections to granting the joint motion to dismiss?
(No response.)

CHAIRMAN SHEAHAN: Hearing none, the joint motion is granted.

Item T-2 concerns Kane County's motion to withdraw its Application for a Certificate to Provide Dark and Lit Fiber.
Are there any objections to granting the motion to withdraw?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the motion is granted.

Item T-3 concerns Matrix Telecom's petition for confidential treatment of certain proprietary information.

Are there any objections to approving the proposed order granting the petition?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the Order is approved.

Item M-1 concerns Adoption of Annual Report Forms.

Are there any objections to approving the resolution adopting Annual Report Forms?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the resolution is approved.

Moving on to other business, our only item is the August 2017 Solicitation of Bids to Sell Zonal Resource Credits to Ameren.

Are there any objections to approving
the Procurement Administrator's Recommendation on the
Selection of Winning Bids?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, the report is
approved.

Judge Kimbrel, do you have any other
matters to bring before the Commission this morning?

JUDGE KIMBREL: No, Mr. Chairman.

CHAIRMAN SHEAHAN: Commissioners, do either of
you have any other matters that you would like us to
address this morning?

COMMISSIONER DEL VALLE: No.

ACTING COMMISSIONER OLIVA: No.

CHAIRMAN SHEAHAN: I would like to thank
Commissioner del Valle for very generously allowing
us to spend some funds from his budget on the
upcoming finance conference with NARUC. I think, as
the Commission knows, we have a really renewed
emphasis on professional development, and this
generous contribution of funds allows quite a number
of our employees to attend there. So thank you, sir.

Any other discussion?

(No response.)

CHAIRMAN SHEAHAN: Hearing none, without
objection, the meeting stands adjourned. Thank you.

(Whereupon, the above-titled matter was adjourned.)